

# Quarterly Report



Sandra Pierce-Miller, Director

2nd. Quarter 2002, Report No. 32

April—June 2002

## California Partnership for Long-Term Care

[www.dhs.ca.gov/cpltc](http://www.dhs.ca.gov/cpltc)

### Participating Insurers

- Bankers Life and Casualty Company
- California Public Employees' Retirement System (PERS)
- Continental Casualty Company
- GE Capital Assurance (formerly AMEX)
- John Hancock
- New York Life Insurance Company
- Transamerica Occidental Life Insurance Company

### This Quarter

### To Date

### Applications Received:

4,063

48,591

### Applications Denied:

497

9,255

### Applications Pending & Withdrawn:

0

0

### Policies Purchased:

3,566

39,336

### Policies Dropped (voluntarily & for un- known reasons\*):

287

3,768

### Policies Not Taken Up: (dropped within 30 days of purchase)

105

1,542

### Total Policies In Force (Active):

3,174

34,090

### Number of Policyhold- ers Who Received Ser- vice Payments:

165

406

### Table of Contents

<b>I</b>	<b>Quarterly and Cumulative Statistics</b>	<b>Pg 1-2</b>
<b>II</b>	<b>Maximum Benefit Amounts Distribution</b>	<b>Pg 2</b>
<b>III</b>	<b>Daily Benefits Distribution</b>	<b>Pg 3</b>
<b>IV</b>	<b>Elimination Period Distribution</b>	<b>Pg 4</b>
<b>V</b>	<b>Age of Policyholders</b>	<b>Pg 4</b>
<b>VI</b>	<b>Trends</b>	<b>Pg 5</b>
<b>VII</b>	<b>Policyholders and Asset Protection Earned</b>	<b>Pg 6</b>
<b>VIII</b>	<b>Service Utilization</b>	<b>Pg 7</b>

### I. Quarterly and Cumulative Statistics

<u>Telephone Calls:</u>	<u>This Quarter</u>	<u>Cumulative</u>
Number of Con- sumers Who Called Toll-Free	1,230	23,703 (CARE445)

<sup>1</sup> \* Does not include 71 drops reported as deaths, rescissions, conversions or exhausted benefits.

## I. Quarterly and Cumulative Statistics

<u>Age:</u>	<u>This Quarter</u>	<u>Cumulative</u>
Median	60	63
Target Age (55-74)	2,254 (71%)	25,212 (74%)
Other Ages	920 (29%)	8,878 (26%)

### Gender:

Male	1,301 (41%)	13,736 (40%)
Female	1,873 (59%)	20,354 (60%)

### Marital Status:

Married	2,222 (70%)	23,003 (67%)
Not Married	889 (28%)	11,009 (33%)
Unknown	63 ( 2%)	78 (<1%)

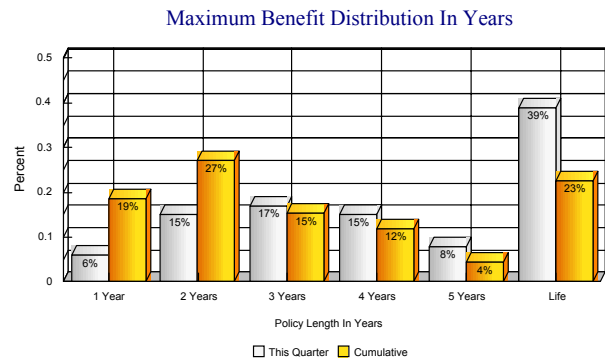
### Policy Type:

Comprehensive	3,142 (99%)	31,163 (91%)
Nursing Home	32 ( 1%)	2,927 ( 9%)

### Purchase Type:

First Time Purchase	2,983 (94%)	31,567 (93%)
Upgrade	32 ( 1%)	661 ( 2%)
Replacement	159 ( 5%)	1,854 ( 5%)
Reinstatement	0 ( 0%)	8 (<1%)
Totals for each category above	3,174 (100%)	34,090 (100%)

## II. Maximum Benefit Amounts Distribution



### Maximum Benefit (In years):

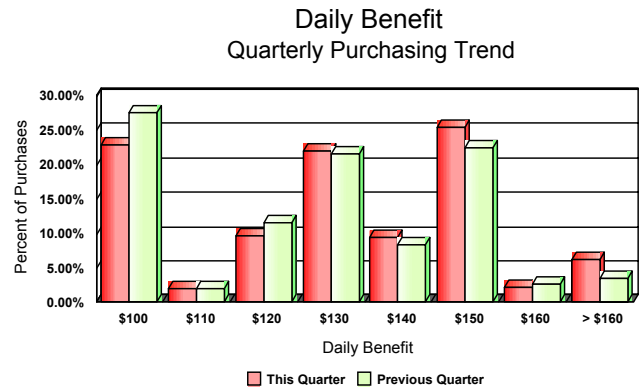
	1 Yr	2 Yr	3 Yr	4 Yr	5 Yr	Life	All
This Qtr. # Policies	190	476	540	476	254	1,238	3,174
This Qtr. %	6%	15%	17%	15%	8%	39%	100%
Cumulative # Policies	6,364	9,232	5,251	4,015	1,524	7,704	34,090
Cumulative %	19%	27%	15%	12%	4%	23%	100%

### Characteristics By Maximum Benefit In Years (This Quarter)

<u>Characteristic:</u>	1 Yr	2 Yr	3 Yr	4 Yr	5 Yr	Life	All
Married	38%	63%	70%	75%	77%	74%	70%
Female	60%	58%	57%	60%	58%	60%	59%
Avg. Age	64	65	64	63	58	56	60
Target Ages	64%	76%	81%	81%	76%	61%	71%
New Purchase	91%	93%	92%	94%	97%	94%	94%
Comprehensive Policy	92%	97%	99%	99%	100%	100%	99%

### III. Daily Benefit Distribution

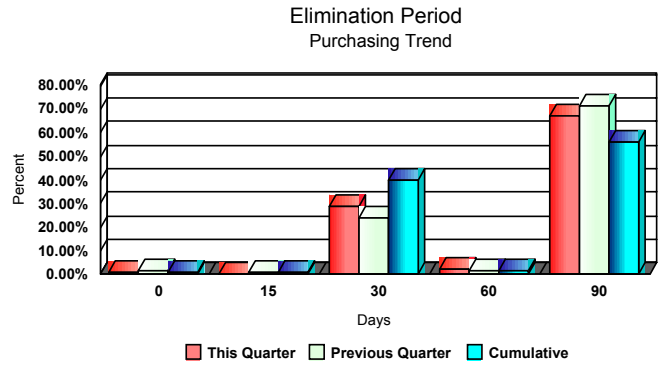
Daily Benefit	This Quarter	Previous Quarter
\$100	724 (22.81%)	(27.58%)
\$110	67 ( 2.11%)	( 2.06%)
\$120	310 ( 9.77%)	(11.55%)
\$130	697 (21.97%)	(21.65%)
\$140	300 ( 9.46%)	( 8.46%)
\$150	807 (25.42%)	(22.55%)
\$160	68 ( 2.14%)	( 2.66%)
More than \$160	201 ( 6.32%)	( 3.44%)



## IV. Elimination Period Distribution

(at time of purchase)

Days	This Quarter	Previous Quarter	Cumulative
0	1.2%	2%	1%
15	0.54%	1%	1%
30	28.73%	24%	40%
60	2.14%	2%	2%
90	67.39%	71%	56%



## V. Age of Policyholders

(at time of purchase)

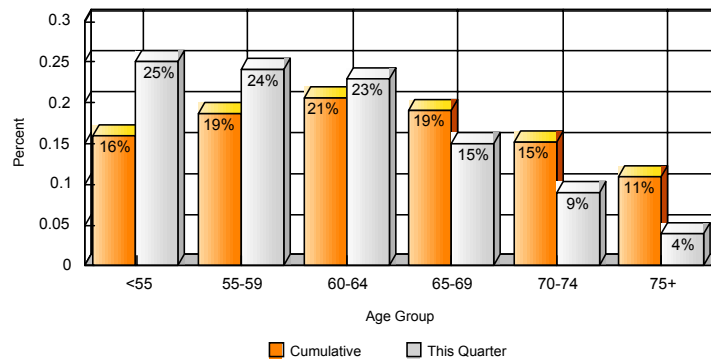
### Age Group:

	<55	55-59	60-64	65-69	70-74	75+	Total
<b>This Qtrtr. # Policies</b>	794	762	730	476	286	127	3,174
<b>This Qtrtr. %</b>	25%	24%	23%	15%	9%	4%	100%
<b>Cumulative # Policies</b>	5,412	6,345	7,009	6,467	5,158	3,700	34,090
<b>Cumulative %</b>	16%	19%	21%	19%	15%	11%	100%

NOTE: At times, the plotted percentages may not appear to agree with the table above due to rounding.

### Policyholders Age Distribution

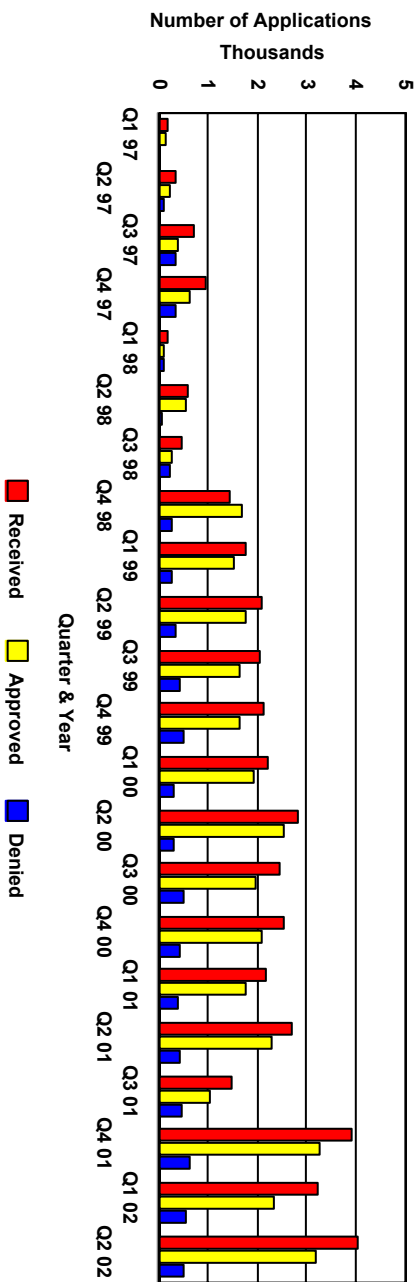
By Age Group



## VI. Trends

Quarter	1997				1998				1999				2000				2001				2002				
	1994	1995	1996	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2				
Received	402	2,979	4,598	165	260	708	949	191	600	477	1,440	1,779	2,107	2,073	2,151	2,205	2,841	2,473	2,528	2,156	2,721	1,492	3,907	3,218	4,063
Approved	237	2,123	3,095	140	239	375	612	115	537	262	1,692	1,520	1,763	1,655	1,654	1,908	2,547	1,978	2,087	1,769	2,284	1,019	3,262	2,351	3,174
Denied	60	713	1,039	25	121	326	337	84	63	215	269	259	344	418	497	287	294	495	441	387	437	473	645	529	497

## Trend In Applications Received, Approved, Denied By Quarter



Redesigned policies available as of the 4th. quarter of 1998

## VII. Policyholders and Asset Protection Earned

	<u>This Quarter</u>	<u>Cumulative</u>
Number of policyholders to date, who have qualified to receive benefit payments	57	591
Total asset protection earned by all policyholders who have received benefits	\$848,817	\$7,989,230
Number of policyholders currently in benefit/payments made	165	N/A
Number of Policyholders that have exhausted benefits	8	34*
Total asset protection earned to date by policyholders that have exhausted benefits	\$512,736.51	\$1,756,393
Number of policyholders that have died while in benefit	14	157**
Total remaining asset protection that will NOT be accessed due to policyholders demise while in benefit.	\$147,466	\$7,516,588
Number of policyholders who have exhausted their policy benefits and accessed Medicaid as of 6/30/2002	0	5
Asset protection earned by policyholders who have exhausted their policy benefits and accessed Medicaid as of 6/30/2002	N/A	\$263,115

\* Includes one policyholder not previously identified as having exhausted benefits

\*\* includes 15 policyholders not previously identified as having died while in benefit.

## VIII. Service Utilization

<b>Type of Service (Other Than Care Management)</b>	<b>This Quarter, % of All Services Rendered to Policyholders In- Benefit (165) by Type of Service</b>	<b>Cumulative % of All Services Ren- dered to All Policyholders (591) by Type of Service</b>
Skilled Nursing Facility	6%	6%
Assisted Living Facility/RCF	13%	14%
Other Alternative Housing	2%	1%
Home Health Aide Services	7%	9%
Attendant Care	7%	10%
Personal Care	13%	11%
Monitoring	3%	<1%
Personal Emergency Response System	1%	<1%

NOTE: Care management services such as assessments, care planning, reassessments and monitoring (which are absorbed as insurer administrative costs and therefore not charged against the policyholder's benefit pool) and services amounting to less than 1% usage during the quarter are excluded. Therefore, the percentages total may not equal 100%.

<b>Type of Care Management Service (Administrative Costs)</b>	<b>This Quarter, % of All Services Rendered to Policyholders In- Benefit (165) by Type of Service</b>	<b>Cumulative % of All Services Ren- dered to All Policyholders (591) by Type of Service</b>
Assessment & Care Planning	3%	3%
Assessment Only	3%	5%
Care Planning Only	3%	4%
Monitoring Only	28%	20%
Reassessment Only	6%	6%

NOTE: Care Management Services (reported as administrative costs) amounting to less than 1% are excluded. Therefore, the percentage sums of this and the above table may not equal 100%.

# The California Partnership for Long-Term Care 2nd. Quarter of 2002 Quarterly Report

---



California Partnership for Long-Term Care  
1801 7th. Street, Second Floor  
Sacramento, CA 95814

Visit the Partnership's Website at [www.dhs.ca.gov/cpltc](http://www.dhs.ca.gov/cpltc)

«First Name» «Last Name»  
«Company Name»  
«Address Line 1»«Address Line 2»  
«City», «State» «ZIP Code»